

California Independent Petroleum Association

1001 K Street, 6th Floor Sacramento, CA 95814 Phone: (916) 447-1177 Fax: (916) 447-1144

April 1, 2016

Lauren Bisnett
Public Affairs Office
Department of Water Resources
Via E-mail

Public Comment on SGMA GSP Draft Emergency Regulations

Ms. Bisnett,

The California Independent Petroleum Association (CIPA) welcomes the opportunity to open a groundwater protection collaboration with DWR, as we are doing with the State Water Resources Control Board (SWRCB) and regional water boards, Department of Conservation (DOC) and Department of Fish & Wildlife (DFW). Our members – small and medium California businesses – wish to comment on the Sustainable Groundwater Management Act (SGMA) draft Groundwater Sustainability Plan (GSP) emergency regulations.

We are familiar with current groundwater resource protection through our stakeholder engagements with SWRCB / DOC underground injection program, SWRCB groundwater monitoring, Central Valley Water Board (CVWB) production water management, DFW inland facilities and other efforts. CIPA's community of interest includes the Southern San Joaquin Valley, which is either critical or high priority on the DWR CASGEM list. Our members have long employed expert hydrogeologists, scientists, engineers and other professionals with extensive technical knowledge of groundwater management.

CIPA members are residents of high and medium priority basins, particularly Kern County. We are pleased to assist in identifying basin issues, establishing measurable goals, thresholds, long-term plans and evaluations. We agree that groundwater adverse impacts are to be avoided and, where appropriate, reversed.

Accordingly, CIPA provides the following summary comments. We look forward to contributing in depth as we move ahead. Please feel free to inquire at any time.

The final regulations should abide by the Governor's and Legislature's intent for SGMA management to reside locally:

"A central feature of these bills is the recognition that groundwater management is best accomplished locally. Local agencies will now have the power to assess the conditions of their local water basins and take necessary steps to bring those basins in a state of long-term chronic overdraft into balance," said Gov. Brown at the bill signing ceremony. The use of the word "local" three times in two sentences was intentional. As pointed out by numerous water districts and others at DWR GSP workshops, statewide standards and one-size-fits-all regulations will not work in California's diverse geography. We agree with DWR's Trevor Joseph at the March 25 workshop when he said, "Local control is our guiding principle."

GSP regulations and DWR administration must continue the SGMA interagency collaboration: Again, as noted by water district officials, it is best to spend limited resources on remediating groundwater rather than on compliance paperwork. Regulatory efficiency, incentives and innovation are key tools. Efficiency, achieved by DWR in recognizing and incorporating the proven existing mechanisms of the water boards and DOC Division of Oil, Gas & Geothermal Resources (DOGGR). Incentives, in SGMA's placement of power and flexibility in Groundwater Sustainability Agencies (GSA). Innovation, enabled in part by Prop. 1, beginning with DWR's admirable planning grants to criticality impacted basins. DWR, in rewritten GSP regulations, should explicitly partner with sister state agencies, local districts and community interests to address issues immediately and to eliminate wasteful expenditures and duplications.

Groundwater management demands interagency collaboration and precise definitions: CIPA members are stringently regulated through DOC DOGGR permits and inspections and through SWRCB waste discharge permits and monitoring. By multiple regulations and compliance safeguards, production water does not impact drinking water of any level. This regulatory regime continues with GSAs. To expand the beneficial use of local production water, CIPA is working with the CVWB to establish water quality standards for re-use as irrigation water, which would expand the 50,000 acre feet of we currently supply. Western Growers Assn. and others have testified this new source of irrigation water is sorely needed to keep family farms in business. Another layer of state regulation for production water is unnecessary, with the protections afforded by SWRCB and DOC, in consultation with the US EPA. Also, the GSAs via their local water districts have decades of experience in dealing with production water, groundwater, drinking water and water supply.

Hydrocarbon zone water is not considered groundwater by SWRCB and DOC: Water extracted with petroleum in designated hydrocarbon zones is by definition not a source of drinking water and are formally classified as "exempt" from the federal Safe Drinking Water Act (by the EPA in specific instances. The SWRCB in collaboration with the Division of Oil, Gas, and Geothermal Resources (DOGGR) are currently in the process of reviewing technical information for most of the exempted areas in Kern County that will lead to modified boundaries, and revalidation that these areas warrant exempted status and cannot yield drinking water resources. The review process includes

consideration of substantial technical and geological information, as well as opportunities for public engagement. As such, these areas are not "principal aquifers" as the GSP draft regulations reference and it is important the regulations properly reflect the exempted status of these defined areas so as to avoid any confusion relative to implementation of the SGMA program.

SGMA GSP emergency regulations must stand-up GSAs in a short amount of time; thus, DWR should take advantage of existing state regulations and local expertise: The draft regulations are best re-crafted to focus on fostering GSA success by protecting, remediating and conserving groundwater. This requires collaboration with SWRCB, DOC, DFW and DWR (Bulletin 118, for example) regulatory programs, recognizing local agency local management capabilities and maximizing funding for solutions.

Very truly yours,

Rock Zierman

CEO

California Independent Petroleum Association

Copies via e-mail:
Mark Cowin, Director, DWR
Gary Bardini, Deputy Director, DWR
David Gutierrez, SGMA Executive Program Manager, DWR
Jonathan Bishop, Chief Deputy, SWRCB
Jason Marshall, Chief Deputy, DOC
Robert Gore, The Gualco Group, Inc.